

Amended Environmental Cooperative Agreement between 3M Company and Wisconsin Department of Natural Resources

This Agreement serves to amend the Cooperative Environmental Agreement (Agreement) signed on October 1, 2002 between the Wisconsin Department of Natural Resources (DNR) and 3M Company (3M) and applies only to the 3M facility located in Menomonie, Wisconsin. This Agreement is being entered into, pursuant to s. 299.80 Wisconsin Statutes and represents the negotiated and agreed to conditions between the DNR and 3M. The negotiated conditions reflect a commitment to reduced air emissions, a reduced emission cap and waste reductions based on production activity and pre-approved operating conditions.

CONTENTS

- I. Facility Information/Contacts/Project Summary
- II. Definitions
- III. Period of Agreement
- IV. Amendment/Revocation of the Agreement
- V. Entire Agreement
- VI. Approvals Covered
- VII. Interested Persons Group
- VIII. Commitment to Environmental Management System
- IX. Commitment to Superior Environmental Performance
- X. Pollution Limits
- XI. Operational Flexibility and Variances
- XII. Reporting of Violations
- XIII. Baseline and Periodic Performance Evaluation
- XIV. Applicable Law
- XV. Addresses
- XVI. Appendix:
 - A. [Environmental Performance Plan](#)
 - B. [General Procedures for Implementing a Pre-Approved Project](#)
 - C. [Analysis of NR 445 Substances](#)
 - D. [Analysis of PSD Increments](#)
 - E. [Part III of Air Pollution Construction Permit \(#04-SJZ-142\) and Operation Permit](#)
 - F. [Entire Air Pollution Construction Permit \(#04-SJZ-142\) and Operation Permit \(# 617056660-P01\)](#)
 - G. [April 1, 2003 Baseline Report](#)

FOR AND IN CONSIDERATION of the terms and conditions contained in this agreement, DNR and 3M set forth the following:

I. FACILITY INFORMATION

Headquarters

3M Company
Building 0042-02-E-27
P.O. Box 33331
St. Paul, MN 55133

Facility Location

3M Company – Menomonie
1425 Stokke Parkway
Menomonie, WI 54751

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3M-Menomonie provides a flexible manufacturing environment and infrastructure to enable long-term growth of existing and new businesses and rapid process development and successful commercialization of new technologies and products for 3M. The resident site management maintains responsibility for overall site management.

The 3M-Menomonie facility employs approximately 500 people and occupies over 403,000 square feet in production, office, and associated warehouse space under one roof. The entire site size consists of 540 acres with a considerable portion of this land leased for agricultural production. The plant operates a variety of production shifts with several business units operating continuously.

There are several major operations located within the facility. A brief description of each operation or service area follows, and includes what aspects or impacts this operation could have on the environment.

A. Staff Groups

- Plant Engineering
- Logistics (Shipping/Receiving/Warehousing)
- Environmental, Health, Safety & Security Group
- Human Resources
- Information Technology Support

B. Production Groups

E-Beam Line - Typical products include adhesive film for flexible printing circuits, automotive weather-stripping, and foam backings for the laminate floor industry. Process does produce some hazardous waste and solid landfill waste. This group manages operations that potentially affect air emissions, hazardous waste generation, and solid waste disposal.

Optical Systems Division (OSD) - This process produces an optical film used as a brightness enhancing film on lap top computer screens and other applications. There is a supporting tool making process (chrome plating) that produces tooling rolls for 3M Menomonie as well as other 3M plants. It uses a hard chrome (VI) plating process, which requires an air permit. The division also has a converting section for some of the web products produced. This group manages operations that potentially affect air emissions, hazardous waste generation, and solid waste disposal.

Personal Care & Related Products (PC&RP) - This process produces both the hook and the matching loop to be used as an integrated fasten system. This process produces some hazardous waste and a moderate amount of solid waste. This process recycles a considerable amount of waste product back into the process.

Proteus Group - Research and Development project for new fuel cell technology. The process produces some hazardous and solid wastes. Recycling is applied to reduce waste levels where economically viable.

Semiconductor Wafer Planerization (SWP) - a line process that produces abrasive products for application in the semi-conductor industry. The process does produce minimal amounts of solid and hazardous waste.

Specialty Fibers & Composites (SF&C) - The fibers are used in the manufacture of high temperature insulation products used in various applications. The fiber processes require a regulatory air permit.

Tape Process Development Center (TPDC) - produces a variety of coated adhesive tapes for the electrical products markets. Produces hazardous waste and a considerable amount of solid waste. There is an air permit due to the solvent coating. This group manages operations that potentially affect air emissions, hazardous waste generation, and solid waste disposal.

Traffic Safety System (TSS) – this process produces diamond grade reflective sheeting used in the traffic sign and traffic construction safety industries. The process consists of an extrusion, laminating, rewind/unwind stations. The tool fabrication area involves a protective spray coating booth, which potentially affects air emissions and produces some hazardous and solid wastes.

The following table lists permit conditions established under previous construction permits that apply to the 3M Menomonie facility that have been superseded by operation permit 617056660-P01. Some of these conditions and requirements have been revised upon issuance of operation permit 617056660-P01. Please refer to operation permit 617056660-P01 for all current conditions and requirements applicable to the 3M Menomonie facility.

Table 1: Permit Conditions Superseded by Operation Permit 617056660-P01

Site Description	Permits
Optical Systems Division (SIC 3081)	<p>Air Permit 03-JAJ-055</p> <ul style="list-style-type: none"> • 0.015 mg chromium/dscm (MACT) • 0.33 lb PM/hour • 833 pounds per month, based on a 12-month rolling average (5.0 tons per year) (LACT) <p>Air Permit 00-JAS-606</p> <ul style="list-style-type: none"> • Monthly VOC usage of 6650 lb/month • Operate using UV curable resins (LACT) <p>Air Permit 97-MMH-605</p> <ul style="list-style-type: none"> • VOC <15 lb/day • 0.015 mg chromium/dscm of ventilation air (MACT) • 0.58 lb PM/hour
Proteus Group (SIC 3624)	<p>Air Permit 03-JAJ-054</p> <ul style="list-style-type: none"> • 1,666 pounds per month, determined as an average over each consecutive 12 month period (10 TPY) (LACT) • Utilizing water-based solutions as its main coating solution (LACT)
Specialty Fibers and Composites (SIC 3299)	<ul style="list-style-type: none"> • Air Permit 03-JAJ-240-OPFormaldehyde <166 lb./month (BACT) • Formaldehyde emissions from processes P15 (CF1), P16 (CF2), P19 (CF5), and P22 (CF6) shall be controlled by at least 41%, on average, between all process lines [P15, P16, P19, and P22] while using the worse case raw material family of fibers. • The following raw material usage limits to the 3M ceramic fiber

	<p>maker processes:</p> <p>a. CF1 = 48 lb raw material per hour;</p> <p>b. CF2 = 48 lb raw material per hour;</p> <p>c. CF3 = 32 lb raw material per hour;</p> <p>d. CF4 = 16 lb raw material per hour;</p> <p>e. CF5 = 48 lb raw material per hour; and</p> <p>f. CF6 = 96 lb raw material per hour. (LACT)</p> <ul style="list-style-type: none"> • VOCs <13,500 lb/month (LACT) • Control of VOC emissions from processes P15 (CF1), P16 (CF2), P19 (CF5), and P22 (CF6) during the use of worse case raw materials, with a control efficiency of at least 80%, on average, between all process lines controlled. (LACT)
Tape Processing Technology Center (SIC 2672)	<p>Air Permit MIA-10-KJC-83-17-023</p> <ul style="list-style-type: none"> • Coatings <2.9 lb/gal, less water, as delivered (RACT) • VOCs <5,000 lb/day
Traffic Safety Systems (SIC 3081)	<p>Air Pollution Construction Permit 95-MMH-616-R1</p> <ul style="list-style-type: none"> • 187 gal/month Scotchclad • 71.5 gal/month Thinner • <7.14 lb VOC/gal Thinner • 45 gal/month IPA • 1 gal/month MEK • 15 gal/month Naptha
Other Permits	<p>General Tier II Stormwater Permit WI-S067857-2</p> <p>General Noncontact Cooling Water Permit WI-0044938</p> <p>EPA Hazardous Waste WID078673084</p> <p>POTW Local Ordinance Restrictions</p>

VOC emissions are the primary release from the Menomonie facility. The Agreement proposes to reduce VOC emissions at the facility based on production activity. Following are the emissions from the site based on 2001 reported emissions for previous year.

Table 2: 2001 Reported Emissions

Division	Permitted Emissions (TPY)	Actual Emissions (TPY)
TPTC	249	46.3
OSD	40	3.64
SF&C	98	12.68
TCM	16	3.46
Total	403	66.08

Project Summary

This Amendment will begin the Title V permitting process to produce a facility-wide air pollution control construction and operating permit for 3M Menomonie that combines environmental management commitments beyond those ordinarily required by DNR rules with operational flexibility for the manufacturing facility. Upon signing of this Agreement and pursuant to issuance of the Title V permit, 3M may begin operations under those

conditions defined in [PART III](#) of [Appendix F](#) Entire Air Pollution Construction Permit (#04-SJZ-142) and Operation Permit (# 617056660-P01). The permit will reduce the facility's existing allowable VOC emissions of more than 400 tons per year (tpy), as authorized by the combination of existing air permits, by establishing a facility-wide cap on VOC emissions of 249 tpy. The resulting permit will thereby establish 3M as a synthetic minor source for purposes of Prevention of Significant Deterioration (PSD) rules. Any variation from regulations, policy, or guidance may require federal action before the project can be implemented. As a part of the environmental management system, 3M will set goals and report on progress as outlined in section XIII. (Baseline and Periodic Performance Evaluations):

In exchange for agreeing to limitations that are more stringent than currently required, 3M and DNR have established construction and operational flexibilities, accomplished through a number of pre-approved facility changes, that are subject to the limitations expressed in section XI, (Operational Flexibility and Variances), of this Agreement. The pre-approved changes will be structured consistent with EPA's draft White Paper #3, meaning, in part, that each pre-approved change will specify any emission control, monitoring, record keeping, or other requirements to be done in conjunction with it being implemented. All such requirements will be equal in effect or exceed the corresponding requirements that would be put in place had the pre-approved project been permitted under DNR's existing permitting workflow.

EXAMPLE:

One of the pre-approvals will authorize 3M's Optical Systems business to install one or more new emission sources. Any such operation installed under a pre-approval would be required to perform analyses, including dispersion modeling as needed, to demonstrate that all provisions of NR 445 (Hazardous Air Pollutants) will be met and that NAAQS and PSD increments for PM, NO_x or SO_x emissions will be met by the project. In addition, each project will be required to apply emission limits, reporting, record-keeping, and monitoring required under all applicable state and federal rules, including the Paper and Other Web Coating NESHAP (40 CFR 63 sub JJJJ), as are enumerated in PART III of the Title V operating permit. Examples of these workflows are diagrammed in the following appendixes attached to this Agreement: Appendix B: General Procedures for Implementing a Pre-Approved Project, Appendix C: Analysis of NR 445 Substances, and Appendix D: Analysis of PSD Increments.

Note: The examples are intended only to illustrate the general approaches involved. Exact requirements for implementing a pre-approved project, including analyses pertaining to NR 445 substances and PSD Increments are contained in [Appendix E. Part III](#) of Air Pollution Construction Permit (#04-SJZ-142) and Operation Permit (# 617056660-P01).

II. DEFINITIONS

The following definitions are applicable to this agreement:

- A. "Approval" means a permit, license or other approval issued by the Department under chapters 280 to 295 Wis. Stats.
- B. "Environmental Cooperative Agreement" means an agreement entered into under section 299.80(6), Wis. Stats.
- C. "Environmental management system" means an organized set of procedures implemented by the owner or operator of a facility to evaluate the environmental performance of the facility and to achieve measurable or noticeable improvements in that environmental performance through planning and changes in the facility's operations.

- D. "Environmental performance" means the effects, whether regulated under chapters 280 to 295 Wis. Stats. or unregulated, of a facility on air, water, land, natural resources and human health.
- E. "Facility" means all buildings, equipment and structures located on a single parcel or on adjacent parcels that are owned or operated by the same person.
- F. "Interested person" means a person who is or may be affected by the activities at a facility that is covered or proposed to be covered by a cooperative agreement or a representative of such a person.
- G. "Performance evaluation" means a systematic, documented and objective review, conducted by or on behalf of the owner or operator of a facility, of the environmental performance of the facility, including an evaluation of compliance with the cooperative agreement covering the facility, approvals that are not replaced by the cooperative agreement and the provisions of chapters 280 to 295 Wis. Stats. and rules promulgated under those chapters for which a variance is not granted under section 299.80(4) Wis. Stats.
- H. "Pollutant" means any of the following:
 - 1. Any dredged spoil, solid waste, incinerator residue, sewage, garbage, refuse, oil, sewage sludge, munitions, chemical wastes, biological materials, radioactive substance, heat, wrecked or discarded equipment, rock, sand, cellar dirt, or industrial, municipal, or agricultural waste discharged into water or onto land.
 - 2. Any dust, fumes, mist, liquid, smoke, other particulate matter, vapor, gas, odorous substances or any combination of those things emitted into the air, but not uncombined water vapor.
- I. "Violation" means a violation of a cooperative agreement, of an approval that is not replaced by the cooperative agreement or of a provision of chapters 280 to 295 Wis. Stats. and rules promulgated under those chapters for which a participant has not received a variance under section 299.80(4) Wis. Stats.

III. PERIOD OF AGREEMENT

- 1.) This amended Agreement shall commence, subject to its signing by both parties and continue until October 1, 2007, during which period 3M and the DNR shall abide by all terms and conditions contained herein.
- 2.) At least fifteen (15) working days prior to the expiration of this Agreement, DNR shall notify the Joint Committee on Finance of the Wisconsin State Legislature that DNR proposes to renew this Agreement, unless DNR determines that the Agreement is no longer consistent with s. 299.80(2), Wis. Stats. or 3M objects to renewal. This Agreement may then be renewed for up to five years, pursuant to s. 299.80(6e), Wis. Stats.

The performance commitments (section XIII.) contained herein shall apply to 3M following the expiration of this Agreement on October 1, 2007, unless the Agreement is revoked or terminated pursuant to Section IV below. Performance commitments that take effect ten years from the original date of this Agreement are only applicable if the Agreement is renewed for an additional five years after its original five-year term.

IV. AMENDMENT/REVOCATION OF THE AGREEMENT

Pursuant to s. 299.80(7), Wis. Stats., DNR may amend this Agreement with the consent of 3M or for cause. 3M may terminate this Agreement after providing 30 days written notice to DNR. DNR may revoke this Agreement if 3M is in substantial noncompliance, refuses to amend this Agreement, is unable or unwilling to meet commitments to superior environmental performance, or has not addressed a substantive issue raised by a majority of the interested persons (s. 299.80(7), Wis. Stats). Furthermore, at any time during the period of the Agreement, 3M may request to reopen the Agreement for potential modifications to reflect changing business conditions, environmental performance goals, modification or inclusions of other provisions under s. 299.80 (7), as mutually agreed with DNR.

DNR shall provide at least 30 days for public comment on a proposal to amend or revoke an Environmental Cooperative Agreement and provide an opportunity for a hearing if comments demonstrate considerable public interest in the proposed action.

V. ENTIRE AGREEMENT

This Agreement, together with any specifications, referenced parts, attachments and effective amendments, shall constitute the entire Agreement. Communications or understandings made prior to the signing of this Agreement and pertaining to its subject matter are hereby superseded. All revisions to this agreement must be made by a written Amendment to this Agreement, signed by both parties and issued under the same procedures as this Agreement pursuant to the requirements under s. 299.80 Wisconsin Statutes.

VI. APPROVALS COVERED

The following pollution control permits previously granted by DNR, to 3M, are covered under this Agreement:

Table 3: Permit List

Process	Permit
Optical Systems Division (SIC 3081)	Air Permit 03-JAJ-055 Air Permit 00-JAS-609 Air Permit 97-MMH-605
Proteus Group (SIC 3624)	Air Permit 03-JAJ-054
Specialty Fibers and Composites (SIC 3299)	Air Permit 03-JAJ-240-OP
Tape Processing Development Center (SIC 2672) Title V application submitted	Air Permit MIA-10-KJC-83-17-023
Traffic Safety Systems (SIC 3081)	Air Permit 96-MMH-616-R1 (construction)
Other Permits	General Tier II Stormwater Permit WI-S067857-2 General Noncontact Cooling Water Permit WI-0044938 EPA Hazardous Waste WID078673084 POTW Local Ordinance Restrictions

All of the conditions and requirements, including potential emissions rates where applicable, embodied in these permits remain in effect without modification and are incorporated in [Appendix F](#) unless otherwise addressed in Section XI (Operational Flexibility and Variances) of this Agreement. The Agreement grants 3M approval for certain types of projects that will meet all of the conditions specified in Section XI of this Agreement or such conditions stated in the construction and operating permit, [PART III Appendix F](#). 3M will pursue normal DNR

procedures required by State Statute for issuing permits for projects not eligible for approval under Section XI or the terms of the Agreement.

VII. INTERESTED PERSONS GROUP

As stated under the Environmental Cooperation Pilot Program, "An 'interested person' is a person who is, or may be, affected by the activities at a facility that is covered, or proposed to be covered, by a Cooperative Environmental Agreement or a representative of such a person." The interested person group is voluntary and subject to change over the course of this Agreement. The group provides consultation to the facility will provide a valuable, additional channel of communication between 3M and the surrounding community during the course of the Agreement.

The Interested Persons Group was responsible for reviewing and understanding 3M's proposal under the Environmental Cooperation Pilot Program and for providing input to the subsequent Cooperative Environmental Agreement. 3M has familiarized the group with the EMS, the objectives and targets, and the environmental impacts from the facility.

3M has submitted their Baseline Performance Evaluation and first Annual Report as required by the subsequent Agreement and will continue to provide information to the public about the facility's environmental performance, and project results, that includes environmental, social and economic impacts. Stakeholders interested persons group meetings occurred during the development of the subsequent Agreement and will continue to be held annually after the Amended Agreement is signed and until such time that this Agreement is terminated. 3M and DNR are committed to working with the stakeholders interested persons group to make this Agreement a success. The core stakeholders represent a mix of local and state interest groups.

Following is a list of backgrounds currently represented on the interested persons group for 3M Menomonie.

- Superintendent, Menomonie Wastewater Utility
- Dunn County Department of Public Health
- Director, Indianhead Enterprises
- UW-Stout, Chemistry Department
- Menomonie City Council Member and Plan Commission
- WDNR Representative
- member of local Sierra Club

VIII. COMMITMENT TO ENVIRONMENTAL MANAGEMENT SYSTEM

3M Menomonie has a strong Environmental Management System (EMS) in place that was ISO 14001 certified on December 7, 2000. Wisconsin DNR is in receipt of the certificate issued to the facility from Underwriter's Laboratory and accepts this as satisfaction of the requirement to have an environmental management system in place under the Environmental Cooperative Pilot Program. 3M agrees to provide documentation of recertification certificates, as issued, as a part of the annual reporting under this Agreement.

The performance of this system and related systems is documented in [Appendix A](#) of this agreement. That documentation describes the policy as well as environmental results that have been achieved by the company through their Pollution Prevention Pays (3P) and other environmental programs. The DNR will work with 3M to incorporate green design elements into components of the cooperative agreement as proportional incentives can be identified.

IX. COMMITMENT TO SUPERIOR ENVIRONMENTAL

Summary

3M agrees to pursue superior environmental performance while achieving a balance between economic, social and environmental impacts from its efforts. The Amendment, once signed, would serve to test the effectiveness of an Environmental Management System, designed under ISO 14001 requirements, on identifying and finding solutions to those aspects that have the most significant impacts on the environment.

Under the Environmental Cooperation Pilot Program, and in conjunction with the operations of their EMS, 3M commits to pursue and track the following:

- a 25% reduction in pounds VOCs released per pound good output
- a 50 % reduction in reportable TRI pollutants released per pound good output
- a 25% reduction in pounds solid and chemical wastes per pound good output
- A 10% reduction per year in the VOC emissions cap established in the Amendment over the term of the Agreement. Note: An emissions cap on VOC emissions will be set at 249 TPY in PART III of the Title V operating permit, well below the current allowable emissions limit of roughly 400 TPY in current permits, and thereby making the 3M plant a PSD minor source. It is anticipated that efforts by the facility to reduce the pounds of VOCs released per pound of good output (as noted above) may allow the 250 TPY cap on VOC emissions to be reduced, at the time of permit renewal, by an amount representing a target reduction of 10% per year over the term of this Agreement. The actual level at which the VOC cap will be set upon permit renewal will be determined by this as well as other relevant regulatory and business considerations of 3M.
- Doubling the amount of "Pollution Prevention Pays Projects" from a base line period (1995-2000)
- Under this Amended Agreement, 3M will report progress towards accomplishing the targets established in the EMS and will identify any additional targets established over the course of this Agreement.

Prior to renewal of this Agreement, DNR and 3M may reevaluate the goals established under this Agreement in order to facilitate necessary changes requested by either party. Any negotiated changes will be consistent with the objectives of the Environmental Cooperation Pilot Program and renewal of Title V Operating Permit, federal NSR rules in effect at the time, and the business needs of 3M.

The potential emission reductions proposed as part of this agreement exceed what is required under regulations that currently apply to 3M and complement the reduction in allowable emissions of VOCs from the facility.

During the 5-year agreement, 3M will evaluate the feasibility of further reducing the VOC emissions cap.

This Amendment provides a variance, which allows monthly record keeping and calculations in lieu of daily record keeping and calculations as found in PART III of the Air Pollution Construction and Operation permit.

Innovation

The Amended Agreement is innovative against the current regulatory framework in part because although the facility, through the project, is reducing allowable emissions by more than 150 tpy, goals and incentives are provided for even greater reductions in allowable emissions. In addition, the Amendment recognizes other work that has been performed by the facility to create, implement and manage an integrated contingency plan that provides for integrated emergency response.

By establishing interim and final "beyond-compliance goals" to be achieved by 3M in five years and beyond

(contingent upon renewal) and by providing 3M with the time to investigate the best methods to achieve the reduction goals, this proposal encourages technological innovation by 3M. In contrast, under the current regulatory environment, companies often have limited time and flexibility to implement the emission control and waste reduction requirements.

This Amendment encourages 3M to establish progressively lower emissions based, in part, by facilitating research and development of new products and their corresponding manufacturing processes, that may result in new or replacement products which have lower emissions.

X. POLLUTION LIMITS

This Amendment establishes a facility-wide VOC emissions cap of 249 tons per year in [\(Appendix E.\) PART III](#), Air Pollution Control Construction and Operation Permit, to replace the various separate, annual emission limits in existing permits. The Air Pollution Control Construction and Operation Permit includes the requirements of all applicable regulations, including as necessary the requirements listed in Table 1 of Section I, which have been established in existing permits for purposes of satisfying LACT, RACT, BACT, MACT, or NR 445. The new emission limits pertaining to the facility-wide VOC cap are supplementary and do not alter or replace any permitted HAP emission limits contained in the permits previously issued by DNR to discrete operations at 3M Menomonie.

Any provisions of permits or approvals not covered by this Agreement in Section XI shall remain in effect. As a matter of continuing 3M Company Policy, 3M commits to abide by all current applicable environmental requirements including those requirements established under the Clean Air Act, Clean Water Act, RCRA and any other federal or state environmental statute or regulation.

The 3M Menomonie facility is subject to the NESHAP for Paper and Other Web Coating at 40 CFR 63 subpart JJJJ. As an additional aspect of this project which exceeds requirements of regulations, 3M will comply with "MACT JJJJ" as of the date of issuance of the air pollution control construction and operating permit rather than the compliance date of December 5, 2005 that would otherwise apply.

XI. OPERATIONAL FLEXIBILITY AND VARIANCES

NOTE: Please Refer to [Appendix E. PART III](#) of the Air Pollution Control Construction Permit and Operation Permit

PRE-APPROVED PROJECTS/FACILITY CHANGES

Overview:

In exchange for the environmental commitments discussed above (section IX and X), 3M and DNR designed and incorporated in the Title V construction and operating permit, Part III, a number of pre-approved projects and facility changes which can be implemented by 3M at any time during the term of the Agreement. All pre-approved changes are structured in a manner consistent with EPA's draft White Paper #3 and will rely in key part on the facility-wide VOC cap of 249 tpy, which establishes the facility as a synthetic minor source for purposes of PSD applicability.

Each of the pre-approved projects and facility changes will specify all emission control, monitoring, record keeping, reporting, and any other requirements which must be performed by 3M at the time that the pre-approved project is implemented. All such requirements will be equal to, or exceed those which would have been put in place had the pre-approved project been permitted under DNR's existing permitting workflow, including, but not limited to, any applicable requirements under federal MACT standards, NSPS, LACT, RACT, and NR 445.

The research and testing approval will be the first pre-approved project designed, tested and implemented for the Title V construction and operating permit as a part of this Agreement in order to provide more responsive time frames and more effective involvement of stakeholders. General procedures for implementing pre-approved projects and performing certain analyses are contained in the listing of appendices that follow this paragraph. The diagrammed logic in the appendices are provided at this time for purposes of example and for purposes of emphasizing that pre-approved projects would be structured to allow rapid implementation of the project and more effective consideration of environmental impact.

Appendix B: [General Procedures for Implementing a Pre-Approved Project](#)

Appendix C: [Analysis of NR 445 Substances](#)

Appendix D: [Analysis of PSD Increments](#)

Any proposed change at the 3M facility which is not addressed under a pre-approval process will require issuance of a construction or other permit by DNR according to the permitting authority's normal workflow.

XII. REPORTING OF VIOLATIONS

Any violations discovered, as part of the baseline performance evaluation or annual performance report required under Section XIII, shall be disclosed to WDNR within 45 days of the completion of the evaluation or report. Any such notification shall contain the information required under s. 299.80(12), Wis. Stats. DNR may not take any civil enforcement action on any such reported violations if they are corrected within 90 days of notification, unless the violations present an imminent threat to public health or the environment or may cause serious harm to public health or the environment, or the department discovers the violations before 3M discloses them. This does not exempt the 3M from the requirements for immediate notification contained in s. 292.11, Wis. Stats. Any criminal violations are subject to DNR enforcement action. If a longer period of time is needed to correct the violations, a compliance schedule can be negotiated and the agreement modified allowing a compliance schedule of up to 12 months.

XIII. BASELINE AND PERIODIC PERFORMANCE EVALUATIONS

1. Pursuant to s 299.80, Wisconsin Statute, within 180 days of signing the October 1, 2002 Agreement, 3M submitted their Baseline Performance Evaluation to DNR and members of the interested persons group ([Appendix G](#)). 3M submitted their first annual performance report to DNR on January 30, 2003.

ANNUAL REPORT

The annual reporting date was established between DNR and 3M to coincide with 3M structure of internal environmental reporting deadlines and the availability of information immediately upon the end of the reporting year. 3M will provide annual report on January 30 and yearly for the duration of the Agreement.

Each annual performance report shall satisfy the requirements of s 299.80 (11) Wisconsin Statutes. In addition, each annual performance report shall include the following information on:

- A. reductions of hazardous waste levels,
- B. establishing and implementing an integrated contingency plan for emergency response,
- C. reductions of VOC per pound of good output by 25% from the year 2000,
- D. reductions solid and chemical waste per pound of good output by 25% from the year 2000,
- E. reductions of reportable TRI emissions per pound of good output by 50% from the year, 1999

- F. doubling the number of 3P projects over the past five years (1995-2000),
- G. evaluation of their EMS, areas of success and areas for improvements beyond those specified above;
- H. a general assessment of the success of the project in reducing the time and money spent by 3M and DNR on paperwork and other administrative activities that may not directly benefit the environment.

Additionally:

DNR will maintain a record of its own administrative savings and other cost savings associated with this Agreement. WDNR shall provide this information to the 3M on at least an annual basis.

3M shall provide a draft of each annual performance report to DNR for review and comment prior to final publication. The interested person's group will receive a copy of the submitted performance report for review. 3M shall also solicit suggestions from DNR and the interested persons group on how to improve performance under the Agreement. 3M Menomonie shall make copies of all baseline and periodic performance evaluations available for public inspection on the Internet or in other formats upon request, as deemed mutually agreeable to 3M and DNR.

Each quarter, 3M will calculate VOC emissions from the facility on the basis of pounds VOC emitted per pound of good product produced, and will calculate a four-quarter rolling average involving the preceding three-quarters. 3M has committed to a goal of reducing the amount of VOC emitted per pound of good product produced (lb VOC emitted/lb good product) by 25 % from baseline year 2000 levels. After approximately 20 months of operation under the Agreement, VOC emissions from the plant are below 85% (15% reduction) of year 2000 levels. In the event that in a quarter, both the VOC emissions for that quarter and the four-quarter roll exceed 85% of the year 2000 baseline, 3M will contact DNR for purposes of scheduling a meeting between 3M and DNR. The purpose of any such meeting will be to discuss the trend in VOC emissions and to ensure that DNR is aware of any factors which might be responsible, such as increases which might be associated with a new product line. Any such calculation in excess of 85% of the year 2000 baseline does not constitute a violation of this Agreement.

XIV. APPLICABLE LAW

The laws of the State of Wisconsin shall govern this Agreement. Except as provided herein, 3M shall at all times comply with all federal, state, and local laws, ordinances and regulations in effect during the period of this Agreement.

XV. ADDRESSES

DNR and 3M shall each assign a Project Manager for the duration of this Agreement. The Project Managers shall be familiar with the history and contents of the Agreement, and it shall be their responsibility to oversee and coordinate the necessary actions as contained in the Agreement. The Project Managers shall facilitate communications between the parties to this Agreement and serve as the primary contacts for all related inquiries. The following individuals are initially assigned to serve as Project Managers. Changes in the information listed below shall be forwarded to the other party when effective and shall become part of this Agreement without a formal amendment.

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St. Paul, MN 55133-3331
Phone: (651) 778 –7674
Fax: (651) 778 – 7203
E-mail: wendyreno@mmm.com

IN WITNESS WHEREOF, the parties by their signatures shall cause this agreement to be executed on the date specified.

Signed for and on behalf of:



STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES

By: _____ Date: ____

Scott Hassett
Secretary

Signed for and on behalf of:

3M COMPANY – MENOMONIE



By: _____ Date: ____

James M. McSweeney
Plant Manager

By: _____ Date: ____

Michael R. Wendt
EHS Specialist